



# 2011 Budget Hearing

Budget Committee  
Litchfield, NH



**Town of Litchfield**



January 13, 2011

# School District Budget

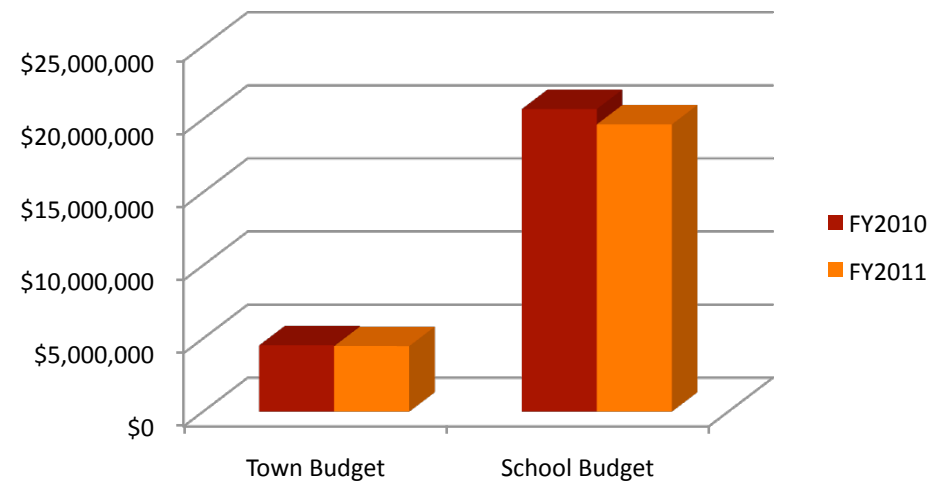
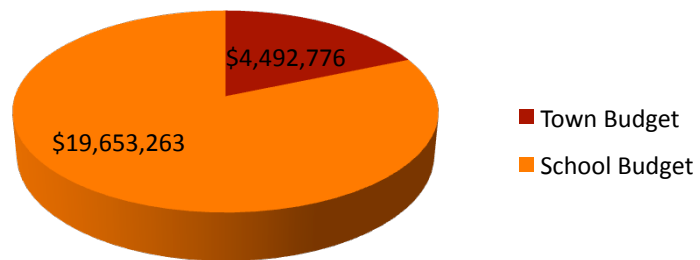
Overview



# Overview of Budget Process

- School budget reviewed by location over a four week period, twice a week, meeting with school administration and business officials, and voting on each location's budget at future meetings.
- Goal of committee was to present voters with a budget that resulted in no greater than a 3% tax increase to the tax payers given the loss of \$2MM from the state of NH.

# Budget Totals



	Budget FY 2010	Recommended Budget FY 2011	Change	% Change
Town Budget	\$4,544,719	\$4,492,776	(\$51,943)	-1.14%
School Budget	\$20,703,501	\$19,653,263	(\$1,050,238)	-5.07%
<b>TOTAL</b>	<b>\$25,248,220</b>	<b>\$24,146,039</b>	<b>(\$1,102,181)</b>	<b>-4.37%</b>

# School Budget - Highlights

- Loss of state funding expected to be approximately a loss of \$2,144,423 due to the removal of a previous collar by state legislatures which was to ensure no towns were adversely affected by the state mandated adequate education legislation.
- The School Board presented to the Budget Committee a Budget which had a decrease in the annual operating budget compared to FY2011 of \$892,746.61. The Budget Committee made an additional reduction of \$165,491.57, for a total reduction of \$1,058,238.18 from prior year.
- The budget also includes using \$343,213 in high school impact fees towards the payment of the Campbell bond principal payments.
- The School District Pre-Paid expenses in FY2010 for FY2011 to make money available in FY2011 via fund balance, and introduced additional new fees for the FY2012 year.
- All class sizes remain at or below School District Class Size Policy

# School Budget - Notables

- Currently in year one of a two year teacher contract, second year contract is part of this budget. LEA staff was budgeted following the ratified CBA, which included step increases and a 1% COLA adjustment to all salary schedules.
- Non-Bargaining Unit employees frozen at current salaries. No step or range movements, no adjustments, and no longevity payments. Separate warrant article submitted for consideration.
- NH Retirement rate increase was 30.4% (Teachers) & 21.07% (Employees)
- Health Insurance costs increase of 20.6% (POS) & 17.8% (HMO) which is an overall increase of \$201,210 with decrease in staffing factored in.
- Dental Insurance rate increase was 4.5%
- Special Education Tuition decrease by \$149,700.
- Special Education Transportation increased by \$28k due to anticipated Out-Of-District placement and contracted rate increase.

# School Budget - Increases

➤	Total Major Increases from FY2011 Budget	
➤	Health Insurance Rate Increase	\$201,210
➤	Voter Approved Teachers Contract	\$232,763
➤	NH Retirement Rate Increase	\$144,930
➤	Grade Change Salary & Benefit Increases	\$ 39,914
➤	3-Year Computer Lease of 100 systems at \$33k per year	\$ 33,145
➤	Unemployment Compensation Increase	\$ 31,156
➤	Replace CHS Hot Water System	\$ 28,580
➤	New Data Communication Rate Increase	\$ 19,464
➤	Transportation Contract Rate Increase	\$ 18,214
➤	Self-Funded Programs (offset by revenues)	\$ 13,230
➤	3-Year District-Wide Microsoft Software Lease	<u>\$ 8,075</u>
		\$833,667

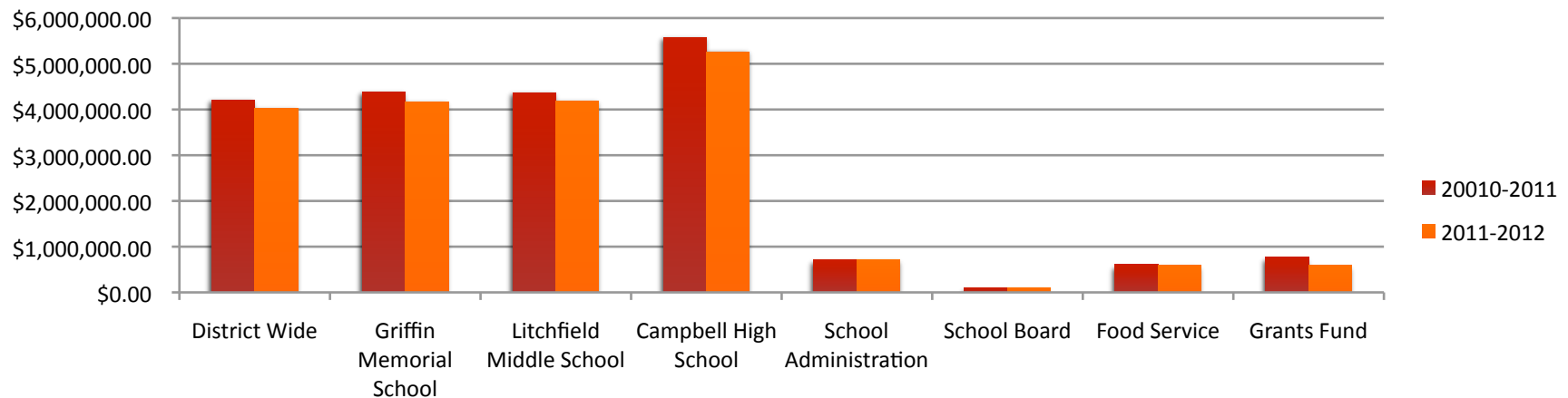
# School Budget - Reductions

- Total Reductions by School Board equates to \$1,568,781
  - The budget contains a reduction of 27.5 FTE positions (31 staff positions) for a total reduction of \$1,282,419.
  - An additional \$49,653 in additional salary and benefit reductions due to reduced schedules.
  - A reduction of \$236,709 in reductions to non-salary and benefits accounts.
- Total Reductions by Budget Committee is \$165,492.57
  - A reduction of \$100,000 in Handicapped Tuition based on historical trends.
  - A reduction of \$59,999.86 in Health Insurance based on historical trends.
  - A reduction of \$3,794 in Social Security based on historical trends.
  - Reductions of \$1,697.71 in other miscellaneous accounts.



# School Budget Summary By Location

Location	2010-2011 APPROVED BUDGET	2011-2012 BUDGET COMMITTEE RECOMMENDED	BUDGET INCREASE / (DECREASE) AMOUNT	BUDGET INCREASE / (DECREASE) PERCENTAGE
District Wide	\$4,200,649.81	\$4,022,617.55	(\$178,032.26)	-4.24%
Griffin Memorial School	\$4,383,419.80	\$4,166,936.42	(\$216,483.38)	-4.94%
Litchfield Middle School	\$4,356,581.42	\$4,183,938.17	(\$172,643.25)	-3.96%
Campbell High School	\$5,572,672.67	\$5,261,351.54	(\$311,321.13)	-5.59%
School Administration	\$714,058.84	\$723,051.27	\$8,992.43	1.26%
School Board	\$100,033.46	\$103,756.60	\$3,723.14	3.72%
Food Service	\$605,127.71	\$591,611.47	(\$13,516.24)	-2.23%
Grants Fund	\$770,957.49	\$600,000.00	(\$170,957.49)	-22.17%
<b>TOTAL</b>	<b>\$20,703,501.20</b>	<b>\$19,653,263.02</b>	<b>(\$1,050,238.18)</b>	<b>-5.07%</b>



# Griffin Memorial School Notables

➤ Staff Reductions	
➤ 2 Classroom Teachers *	(\$114,775)
➤ 3.5 Paraprofessionals	(\$ 61,294)
➤ 1 Monitor	(\$ 5,657)
➤ Assistant Principal	(\$ 97,254)
➤ 1 Full-Time Custodian	(\$ 40,493)
➤ One-Time Building Repair Reduction	(\$ 56,739)
➤ One-Time Repairs & Maintenance Reduction	(\$ 38,000)
➤ Elimination of One Modular (Grade 3) Reduction	(\$ 12,730)
➤ Library Book Reduction	(\$ 7,490)
➤ Utilities – Electricity Reduction	(\$ 10,273)

*\* Note, 1 position was not filled in 2010 – 2011 school year*

# Litchfield Middle School Notables

➤	Staff Reductions	
➤	1 Part-Time Chorus Teacher	(\$ 31,642)
➤	1 Classroom Teacher – Grade 5	(\$ 92,073)
➤	2 SPED Teachers	(\$140,614)
➤	1 Full-Time Custodian	(\$ 61,757)
➤	Receptionist	(\$ 14,426)
➤	Game Official Reduction	(\$ 2,015)
➤	Library Textbook Replacement Reduction	(\$ 5,199)
➤	Utilities - Electricity Reductions	(\$ 13,778)

# Campbell High School Notables

➤	Staff Reductions	
➤	4.5 Classroom Teachers *	(\$274,904)
➤	2 SPED Teachers	(\$137,532)
➤	1 Library Paraprofessional	(\$ 11,314)
➤	1 Part-Time Guidance Counselor	(\$ 20,894)
➤	1 Full-Time Custodian to Part-Time	(\$ 28,371)
➤	1 Receptionist	(\$ 16,814)
➤	Repairs & Maintenance Reduction	(\$ 7,531)
➤	Utilities – Electric Reduction	(\$ 4,210)

*\* Note: The specific teacher reductions will be determined by the Principal based upon incoming class requirements.*

# District Wide Notables

## ➤ Staff Reductions

➤ 1 Part-Time SPED Administrative Assistant (\$ 11,983)

➤ 1 Speech Pathologist (\$ 68,954)

➤ 1 Part-Time Certified Occupational Therapist Assistant (\$ 12,259)

➤ Professional Services Reduction (\$ 29,500)

➤ Handicapped Tuition Reduction (\$149,700)

➤ Adult Education Program Cut Reduction (\$ 25,558)

➤ Transportation Reduction (One Bus) (\$ 37,336)

➤ Interest on CHS Bond Reduction (\$ 42,000)

➤ Elimination of National Conferences (\$ 12,475)

## Other Notables

### ➤ School Board

➤ Increased Legal Fees (Contract Negotiation) \$ 5,000

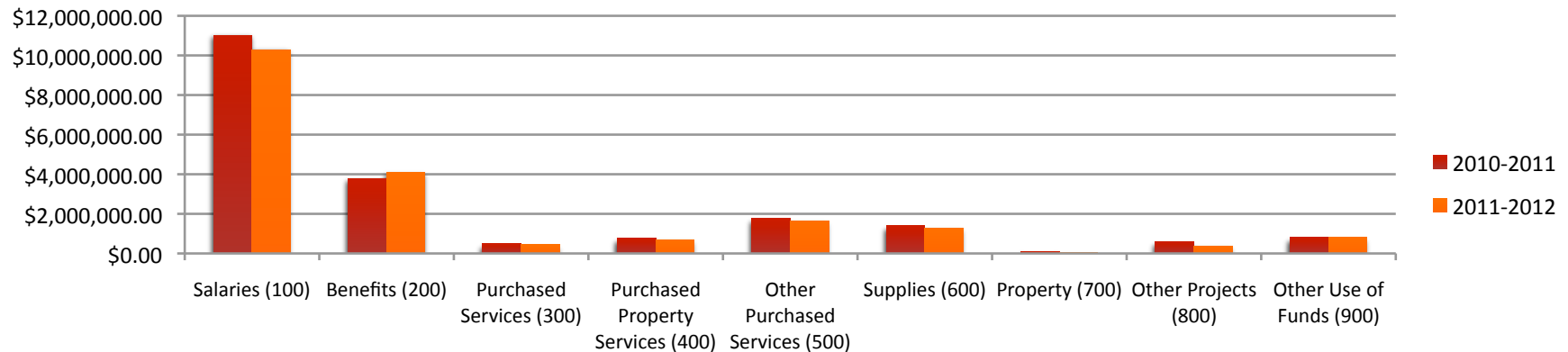
### ➤ School Administration Unit (SAU)

➤ Payroll Coordinator New Personnel (\$ 4,663)

➤ Professional Services Bi-Annual Reduction (\$ 6,500)

# School Budget Summary By Object

Account Title	2010-2011 APPROVED BUDGET	2011-2012 BUDGET COMMITTEE RECOMMENDED	BUDGET INCREASE / (DECREASE) AMOUNT	BUDGET INCREASE / (DECREASE) PERCENTAGE
Salaries (100)	\$11,016,221.63	\$10,278,757.09	(\$737,464.54)	-6.69%
Benefits (200)	\$3,786,733.01	\$4,095,767.10	\$309,034.09	8.16%
Purchased Services (300)	\$484,843.15	\$433,695.50	(\$51,147.65)	-10.55%
Purchased Property Services (400)	\$768,565.51	\$695,493.73	(\$73,071.78)	-9.51%
Other Purchased Services (500)	\$1,761,853.66	\$1,634,779.47	(\$127,074.19)	-7.21%
Supplies (600)	\$1,398,365.77	\$1,284,600.20	(\$113,765.57)	-8.14%
Property (700)	\$90,531.50	\$44,103.12	(\$46,428.38)	-51.28%
Other Projects (800)	\$596,386.97	\$386,066.81	(\$210,320.16)	-35.27%
Other Use of Funds (900)	\$800,000.00	\$800,000.00	\$0.00	0.00%
<b>TOTAL</b>	<b>\$20,703,501.20</b>	<b>\$19,653,263.02</b>	<b>(\$1,050,238.18)</b>	<b>-5.07%</b>



# Questions





## Warrant Articles

**Recommended by the  
School Board**

**(Vote: 4-1-0)**

**Recommended by the  
Budget Committee**

**(Vote 7-0-0)**

**Tax Rate Impact  
\$0.76**

Article 1 - Shall the Litchfield School District vote to raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by the vote at the first session of the annual school district meeting, for the purposes set forth herein, totaling Nineteen Million, Six Hundred Fifty-Three Thousand, Two Hundred Sixty-Three dollars (\$19,653,263)? Should the article be defeated, the default budget shall be Twenty Million, Seven Hundred Seventy-Nine Thousand, Six Hundred Fifty-Nine dollars (\$20,779,659), which is the same as last year, with certain adjustments required by previous action of the Litchfield School District or by law; or the School Board may hold one special meeting, in accordance with RSA 40:13 X and XVI, to take up the issue of a revised operating budget only.

## Warrant Articles

**Recommended by the  
School Board**

**(Vote: 5-0-0)**

**Recommended by the  
Budget Committee**

**(Vote 7-0-0)**

**Tax Rate Impact  
\$.0477**

Article 2 - Shall the Litchfield School District vote to raise and appropriate the sum of Thirty-Eight Thousand, Five Hundred Forty-Seven dollars and Eighty-Eight cents (\$38,547.88), which represents salary and benefit costs for a 1% cost-of-living adjustment for non-union positions? These positions include: administrators, administrative assistants, building/grounds staff, Certified Occupational Therapy Assistant, custodial staff, food service staff, monitors, paraprofessionals, psychologists, School Administrative Unit staff, site facility managers, social worker, tutors, and elected officials (other than School Board members).

*Overview:*

- *These employees did not receive any Cost Of Living Adjustment (COLA) in the 2009-2010 school year. Also, 15-20% did not receive raises as they are at the top of their step.*
- *This accounts for 42 Full-Time positions, and 72 Part-Time positions.*

# Revenue Expectations

Title	REVISED 2010-2011 REVENUES	ESTIMATED 2011-2012 REVENUES	REVENUE INCREASE / (DECREASE) AMOUNT	REVENUE INCREASE / (DECREASE) PERCENTAGE
Tuition	\$15,000	\$15,000	\$0	0.0%
Transportation Fees	\$6,000	\$6,000	\$0	0.0%
Earnings on Investments	\$8,000	\$8,300	\$300	3.8%
Food Service Sales	\$503,328	\$481,111	(\$22,217)	-4.4%
Student Activities	\$69,000	\$82,230	\$13,230	19.2%
Community Services	\$18,900	\$0	(\$18,900)	-100.0%
Impact Fees	\$0	\$343,213	\$343,213	100.0%
Other Local Services	\$7,000	\$133,750	\$126,750	1810.7%
School Building Aid	\$260,787	\$260,787	\$0	0.0%
Kindergarten Aid	\$204,236	\$204,236	\$0	0.0%
Catastrophic Aid	\$214,385	\$130,000	(\$84,385)	-39.4%
Vocational Aid	\$2,000	\$2,000	\$0	0.0%
Child Nutrition	\$6,640	\$5,950	(\$690)	-10.4%
Driver Education	\$0	\$18,000	\$18,000	0.0%
State Education Tax/Grant	\$6,147,683	\$4,003,260	(\$2,144,423)	-34.9%
State Aid	\$1,807,825	\$1,749,516	(\$58,309)	-3.2%
Federal Program Grants	\$320,957	\$483,166	\$162,209	50.5%
Child Nutrition	\$95,160	\$104,250	\$9,090	9.6%
Disabilities Programs	\$450,000	\$290,000	(\$160,000)	-35.6%
Medicaid Distribution	\$60,000	\$60,000	\$0	0.0%
Fund Balance Transfer To Reduce Taxes	\$370,565	\$456,313	\$85,748	23.1%
<b>Total Revenues &amp; Credits</b>	<b>\$10,567,466</b>	<b>\$8,837,082</b>	<b>(\$1,730,384)</b>	<b>-16.4%</b>

# Tax Rate Impact

## 2010

### Example #1:

Tax Rate for 2010	\$12.62
Home Value	\$150,000.00
Tax In Dollars	<b>\$1,893.00</b>

### Example #2:

Tax Rate for 2010	\$12.62
Home Value	\$300,000.00
Tax In Dollars	<b>\$3,786.00</b>

## 2011

### Example #1:

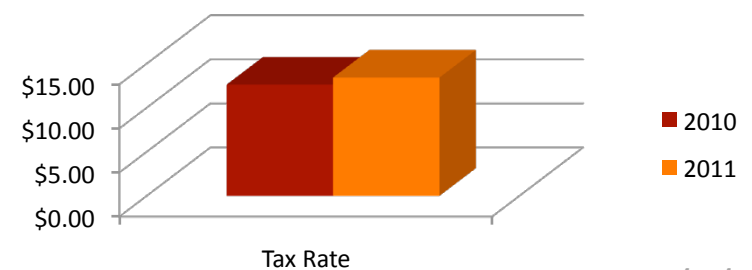
Tax Rate Estimated for 2011	\$13.43
Home Value	\$150,000.00
Tax In Dollars	<b>\$2,014.07</b>

### Example #2:

Tax Rate Estimated for 2011	\$13.43
Home Value	\$300,000.00
Tax In Dollars	<b>\$4,028.13</b>



## 2011 Estimated School Tax Rate \$13.43





## Intermission

10 minutes

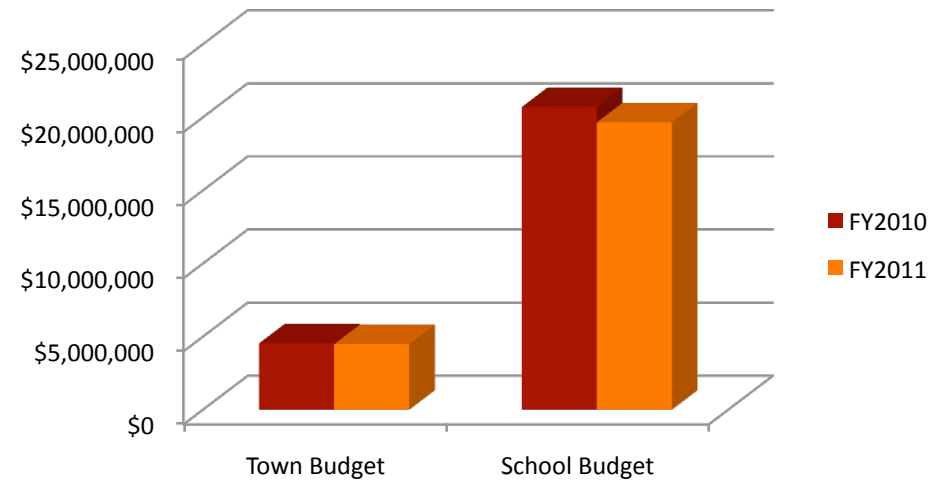
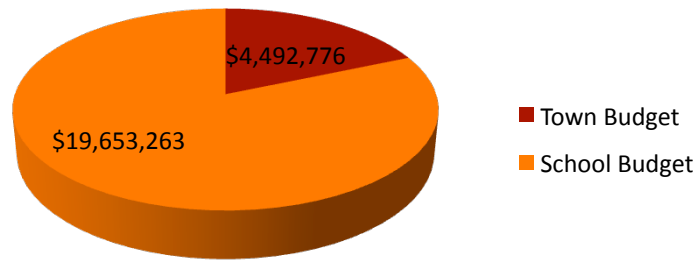
# Town Budget



# Overview of Budget Process

- Town Budget reviewed by department over an eight week period, once a week, meeting with department heads each week, and voting on each budget at future meetings.
- Goal of committee was to present voters with a budget that resulted in no tax impact to the tax payers

# Budget Totals



	Budget FY 2010	Recommended Budget FY 2011	Change	% Change
Town Budget	\$4,544,719	\$4,492,776	(\$51,943)	-1.14%
School Budget	\$20,703,501	\$19,653,263	(\$1,050,238)	-5.07%
<b>TOTAL</b>	<b>\$25,248,220</b>	<b>\$24,146,039</b>	<b>(\$1,102,181)</b>	<b>-4.37%</b>

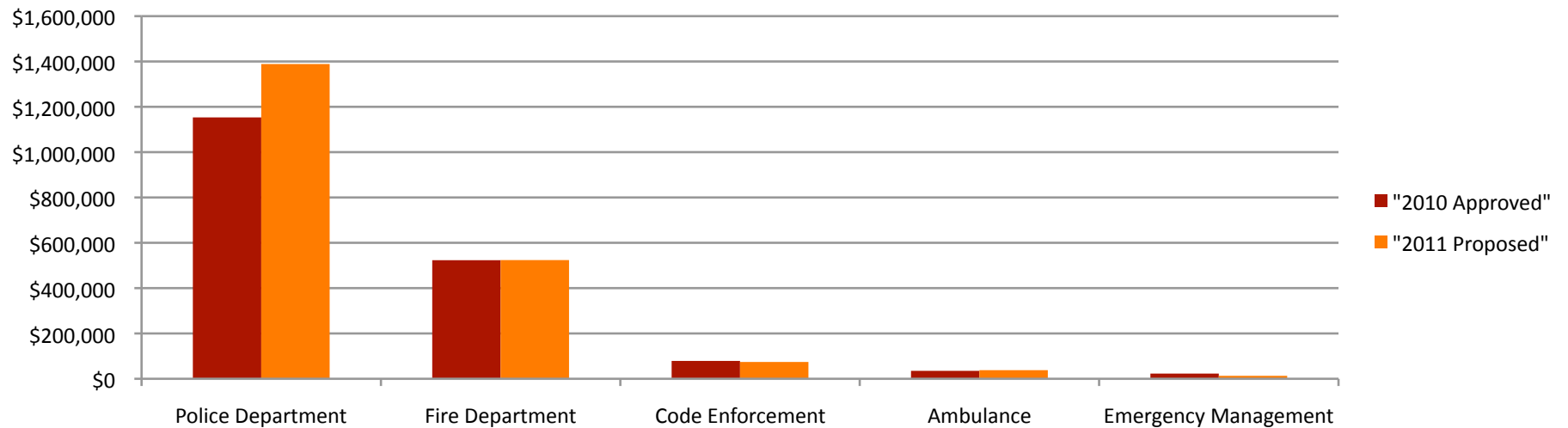


# Town Budget By Major Categories

Department Name	2010 BUDGET	2011 BUDGET COMMITTEE RECOMMENDED	BUDGET INCREASE / (DECREASE) AMOUNT	BUDGET INCREASE / (DECREASE) PERCENTAGE
Public Safety	\$1,813,228	\$2,037,682	\$224,454	12.38%
General Government	\$1,189,234	\$1,238,411	\$49,177	4.14%
Solid Waste Disposal	\$467,984	\$316,460	(\$151,524)	-32.38%
Highway And Streets	\$440,209	\$410,384	(\$29,825)	-6.78%
Culture And Recreation	\$275,839	\$284,037	\$8,198	2.97%
Sanitization Administration	\$76,999	\$95,205	\$18,206	23.64%
Health	\$58,618	\$54,551	(\$4,067)	-6.94%
Welfare	\$25,000	\$20,000	(\$5,000)	-20.00%
Street Lighting	\$18,949	\$14,700	(\$4,249)	-22.42%
Highway Administration	\$18,214	\$19,179	\$965	5.30%
Conservation	\$3,161	\$2,166	(\$995)	-31.48%
Debt Service	\$1	\$1	\$0	0.00%
Undesignated Warrant Articles	\$157,283	\$0	(\$157,283)	
2011 Proposed Warrant Articles	\$0	\$0	\$0	
<b>Total</b>	<b>\$4,544,719</b>	<b>\$4,492,776</b>	<b>(\$51,943)</b>	<b>-1.14%</b>

# Public Safety Overview

Department Name	2010 BUDGET	2011 BUDGET COMMITTEE RECOMMENDED	BUDGET INCREASE / (DECREASE) AMOUNT	BUDGET INCREASE / (DECREASE) PERCENTAGE
Police Department	\$1,153,223	\$1,388,769	\$235,546	20.43%
Fire Department	\$523,195	\$523,723	\$528	0.10%
Code Enforcement	\$78,810	\$74,190	(\$4,620)	-5.86%
Ambulance	\$35,000	\$38,000	\$3,000	8.57%
Emergency Management	\$23,000	\$13,000	(\$10,000)	-43.48%
<b>Total</b>	<b>\$1,813,228</b>	<b>\$2,037,682</b>	<b>\$224,454</b>	<b>12.38%</b>



# Public Safety Notables

## ➤ Police

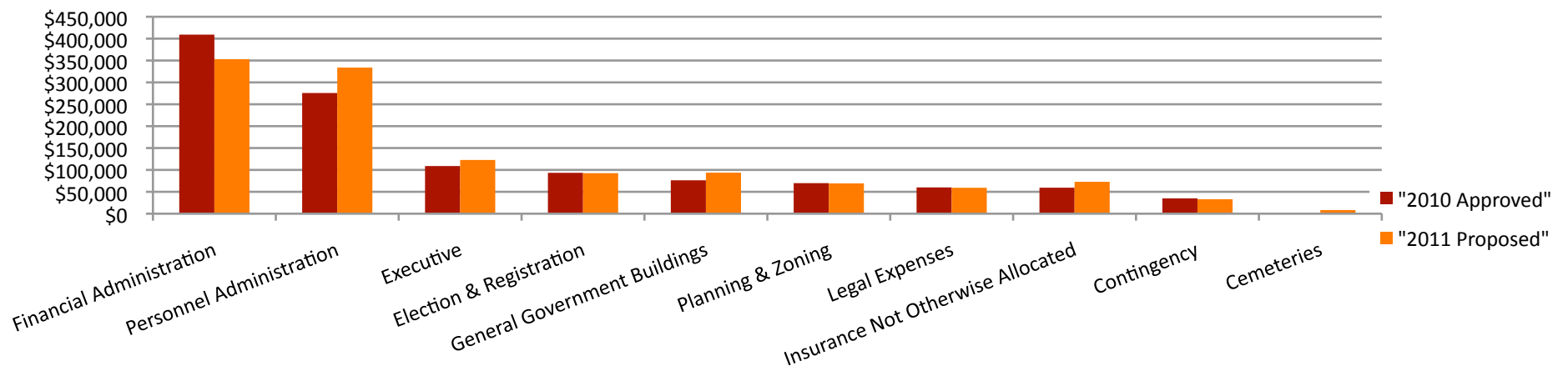
- Maintains Current Force Staffing Levels, Including New Voter Approved Officer
- No Adjustments In Salary Schedules
- Three Year Lease of Four New Cruisers at \$34k per year.
- Maintains 2010 Overtime & Training Levels
- Police Union Contract Separate Warrant Article

## ➤ Fire

- Maintains Current Force Staffing Levels

# General Government Overview

Department Name	2010 BUDGET	2011 BUDGET COMMITTEE RECOMMENDED	BUDGET INCREASE / (DECREASE) AMOUNT	BUDGET INCREASE / (DECREASE) PERCENTAGE
Financial Administration	\$409,149	\$353,018	(\$56,131)	-13.72%
Personnel Administration	\$275,752	\$333,821	\$58,069	21.06%
Executive	\$108,851	\$122,769	\$13,918	12.79%
Election & Registration	\$93,377	\$92,604	(\$773)	-0.83%
General Government Buildings	\$76,300	\$93,744	\$17,444	22.86%
Planning & Zoning	\$69,802	\$69,237	(\$565)	-0.81%
Legal Expenses	\$60,000	\$59,200	(\$800)	-1.33%
Insurance Not Otherwise Allocated	\$59,353	\$72,823	\$13,470	22.69%
Contingency	\$35,000	\$33,000	(\$2,000)	-5.71%
Cemeteries	\$1,650	\$8,195	\$6,545	396.67%
<b>TOTAL</b>	<b>\$1,189,234</b>	<b>\$1,238,411</b>	<b>\$49,177</b>	<b>4.14%</b>



# General Government Notables

- Contains 2010 Voter Approved Town Administrator
- Maintains Current Staffing Levels
- No COLA Increases For Non-Bargaining Employees in 2011 Budget. In 2010 Employees Received Board Of Selectmen Approved 1.5% COLA Increase for All Non-Bargaining Employees.
- Health Insurance Rate Increase of 17%
- Retirement Increased Cost of \$47k
- Includes Increase of General Liability Insurance of \$13k

# General Government Notables

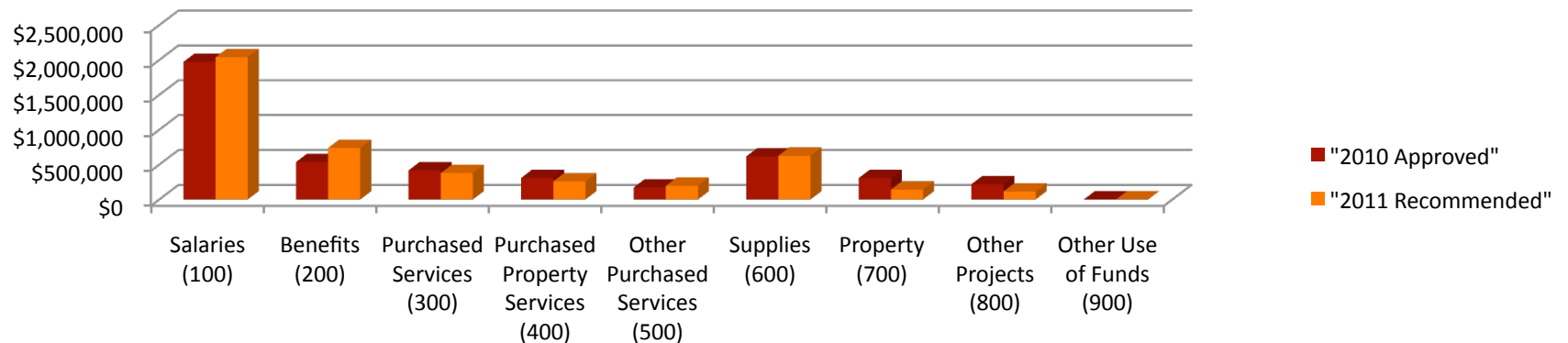
- Includes Reduction Of Assessing Services by \$106k
- Contains Cemetery Budget Increase of \$6k As Town Assumed Financial Control As Required By Attorney General.
- Contains Increase in \$527 in Budget Committee Secretarial Services Due To Increase In Hours and Salary Adjustment of \$1.50 per hour.

# Other Notables

- Sanitation
  - Contains \$153k reduction in Solid Waste Conversion Costs Due To Implementation Of New Services in 2010.
- Highway & Streets
  - Maintains current level of normal road maintenance
  - Reduction of \$24k in Equipment Hire for Snow Plowing
- Culture & Recreation
  - Recreation budget has no significant changes
  - Library budget has no significant changes
  - Patriotic Purposes budget has no significant changes
  - Cable Committee budget has no significant changes

# Town Budget Summary By Object

Account Title	2010 BUDGET	2011 BUDGET COMMITTEE RECOMMENDED	BUDGET INCREASE / (DECREASE) AMOUNT	BUDGET INCREASE / (DECREASE) PERCENTAGE
Salaries (100)	\$1,971,841	\$2,038,975	\$67,134	3.40%
Benefits (200)	\$535,979	\$737,939	\$201,960	37.68%
Purchased Services (300)	\$416,847	\$378,679	(\$38,168)	-9.16%
Purchased Property Services (400)	\$308,157	\$258,830	(\$49,327)	-16.01%
Other Purchased Services (500)	\$171,166	\$195,656	\$24,490	14.31%
Supplies (600)	\$616,486	\$626,879	\$10,393	1.69%
Property (700)	\$306,802	\$141,596	(\$165,206)	-53.85%
Other Projects (800)	\$217,440	\$114,221	(\$103,219)	-47.47%
Other Use of Funds (900)	\$1	\$1	\$0	0.00%
<b>TOTAL</b>	<b>\$4,544,719</b>	<b>\$4,492,776</b>	<b>(\$51,943)</b>	<b>-1.14%</b>





# Questions



# Warrant Articles

**Recommended by the Board of  
Selectmen (Vote: 5-0-0)**

**Recommended by the Budget  
Committee (Vote 6-0-0)**

**Tax Rate Impact  
(\$0.02)**

Article 2 – To see if the town will raise and appropriate as an operating budget, not including appropriation by special warrant articles and other appropriations voted separately, the amounts set forth in the budget posted with the warrant or as amended by vote of the first session, for the purposes set forth therein, totaling \$4,492,776. Should this article be defeated, the default budget shall be \$4,463,558, which is the same as last year, with certain adjustments required by previous action of the town of Litchfield or by Law; or the governing body may hold one special meeting, in accordance with RSA §40:13, X and XVI, to take up the issue of a revised operating budget only.

## *Overview*

- *Approved 2010 Tax Rate was \$3.18 per thousand*
- *Proposed 2011 Tax Rate for this article is \$3.16 per thousand.*

## Warrant Articles

Article 3 – Shall the town vote to approve the cost items for wage and related costs that have been included in the collective bargaining agreement reached between the Town of Litchfield and Council 93 of the American Federation of State, County, and Municipal Employees which provides for the following increases in wages and benefits:

2011:	\$ 734
2012:	\$13,716
2013:	\$14,127

**Recommended by the Board of  
Selectmen (Vote: 5-0-0)**

**Recommended by the Budget  
Committee (Vote 6-1-0)**

**Tax Rate Impact  
\$.0009**

### *Overview:*

- *During the first year of the contract, no changes in wages. In year #2, increases will be based upon Boston-Brockton-Nashua CPI-W, with a floor of 1% and ceiling of 2%. In year #3, increases will be based upon Boston-Brockton-Nashua CPI-W, with a floor of 2% and ceiling of 3%.*
- *Year #1 costs associated with increased based of covered wages for Short-Term and Long-Term disability insurance.*
- *Allows for a buyout for employees not taking health care.*
- *Introduces Earned Time program, allowing employees to carry over a portion of their vacation, sick, and personal time.*
- *Town agrees to offer voluntary 457(b) retirement savings program in which the employee can participate.*

## Warrant Articles

**Recommended by the Board of  
Selectmen (Vote: 5-0-0)**

**Recommended by the Budget  
Committee (Vote 7-0-0)**

**Tax Rate Impact  
\$.00**

Article 4 – Shall the town include as part of the regular operating budget annually, acceptance of the NHDOT Highway Block Grant for improvements to town roads and drainage?

*Overview:*

- *The Town of Litchfield currently receives approximately \$186k in annual Highway Block Grant Funds from the State of NH for the purpose of maintaining the roads within the town.*
- *Intention of the warrant is to incorporate annual Highway Block Grant into operating budget and show road repair projects in Road Maintenance budget with the costs being offset by anticipated Block Grant monies.*
- *Currently, Highway Block Grant monies are spent outside of the purview of the budget process.*
- *This will incorporate the Highway Block Grant more explicitly into the budget process.*

## Warrant Articles

**Recommended by the Board of  
Selectmen (Vote: 5-0-0)**

**Recommended by the Budget  
Committee (Vote 6-1-0)**

**Tax Rate Impact  
\$.2588**

Article 5 – To see if the Town will to enter into a contract with Pennichuck East Utilities to assume responsibility for Fire Protection charges for water system users. And further, to see if the Town will vote to raise and appropriate the sum of \$209,250 for that purpose. This amount represents the cost for 9 months of service in 2011 and is apportioned from an estimated annual cost of \$279,000. If this article is approved, future appropriations for Fire Protection Charges will be included in the operating budget for the town.

### *Overview:*

- *Committee formed in 2009 to review current cost implications of a 1991 decision by the Town of Litchfield to continue to collect surcharges on resident's Southern NH Water to pay for water protection.*
- *At the time of the review, approximately 58% of the town's households are paying \$12.59 per month, at a yearly cost of \$269,677. Whereas the remaining 42% do not pay for the fire protection services provided by the hydrants.*
- *Having the charges go directly to the town, each home in Litchfield will pay approximately \$7.25 per month for fire protection at today's rates.*

# Warrant Articles

**Recommended by the Board of  
Selectmen (Vote: 5-0-0)**

**Recommended by the Budget  
Committee (Vote 6-1-0)**

**Tax Rate Impact  
\$.00**

Article 6 – To see if the Town will vote to deposit 50 percent of the revenues collected pursuant to RSA 79-A (the Land Use Change Tax assessed when property is removed from Current Use) in the Conservation and Land Acquisition Fund previously established in accordance RSA 36-A:5(III) and to deposit 50 percent of the revenues in the Town’s General Fund. The purpose of the Conservation and Land Acquisition Fund is to purchase land, conservation or trail easements or the purchase of development rights. This article modifies an approval in 2003 to deposit 100 percent of the revenues collected in the Fund. The 2009 audit reported a balance in this fund of \$882,317.

## Overview:

- *Shifts 100% of Land Use Change Tax (LUCT) from being deposited in the Conservation fund to 50% of the revenue.*
- *In 2010, \$21k was received from the LUCT; in 2009, \$48k was received; and in 2008, \$159k was received.*
- *The remaining 50% of the revenue will be placed into the General Fund, and can be used to offset tax appropriations or will be left in the General Fund for unanticipated needs.*

# Warrant Articles

**Recommended by the Board of  
Selectmen (Vote: 5-0-0)**

**Recommended by the Budget  
Committee (Vote 5-2-0)**

**Tax Rate Impact  
\$.00**

Article 7 – To see if the Town will vote to create an expendable trust fund under the provisions of RSA 31:19-a to be known as the Vacation Accrual Expendable Trust Fund and to authorize the Board of Selectmen to serve as agents to expend from the funds, and further to raise and appropriate the sum of \$58,862 for transfer into this fund from unexpended fund balance as of December 31, 2010. This amount is shown on the Town's balance sheet as a liability. The intent of this article is to annually account for the cost of earned but unused vacation time so that the expenses associated with employee resignations and retirements do not impact the current year budget. This would have a net cost to 2011 general taxation of \$0.

## Overview:

- *Creates an expendable trust fund which is annually adjustable by the Selectmen based upon the total liability of the town for accrued vacation time.*
- *The liability is calculated each year, and is shown as part of the audit. But, the town currently has no mechanism to cover the costs incurred other than to re-allocate current year funds.*
- *The fund will set aside the total liability into the trust fund to cover the scenario where an employee terminates employment, therefore ensuring such an act will not impact current year normal operating budget funds.*
- *This trust fund will be raised through the unexpended fund balance as of December 31, 2010.*

# Revenue Expectations

Description	2010 Actual	2011 Estimated	Delta
Timber Taxes	\$4,000	\$500	(\$3,500)
Payment in Lieu of Taxes	\$28,489	\$28,489	\$0
Interest & Penalties on Delinquent Taxes	\$61,416	\$59,350	(\$2,066)
Business Licenses & Permits and Cable Franchise	\$83,815	\$112,900	\$29,085
Motor Vehicle Permit Fees	\$1,200,000	\$1,178,500	(\$21,500)
Building Permits	\$25,000	\$21,490	(\$3,510)
Other Licenses, Permits & Fees	\$40,000	\$33,590	(\$6,410)
From Federal Government	\$13,187	\$0	(\$13,187)
Meals & Rooms Tax Distribution	\$375,930	\$378,616	\$2,686
Highway Block Grant	\$186,917	\$186,917	\$0
State & Federal Forest Land Reimbursement	\$406	\$406	\$0
Income From Departments	\$40,000	\$73,397	\$33,397
Bike Path	\$31,629	\$0	(\$31,629)
Interest On Investments	\$60,000	\$15,650	(\$44,350)
Other Miscellaneous Revenue	\$5,882	\$1,041	(\$4,841)
Proceeds From Long-Term Bonds			
<b>Total</b>	<b>2,156,671</b>	<b>2,090,846</b>	<b>(\$65,825)</b>



# Tax Rate Impact

2010

Example #1:

Tax Rate for 2010	\$3.18
Home Value	\$150,000.00
Tax In Dollars	<b>\$477.00</b>

Example #2:

Tax Rate for 2010	\$3.18
Home Value	\$300,000.00
Tax In Dollars	<b>\$954.00</b>

2011

Example #1:

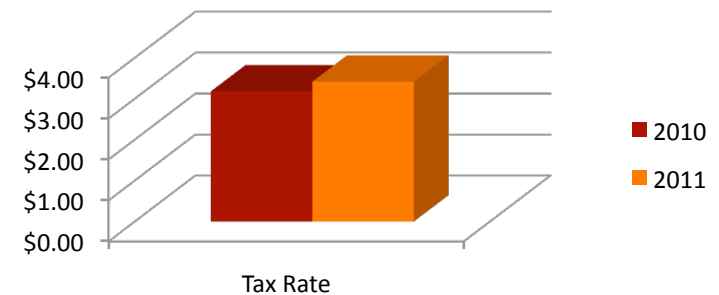
Tax Rate Estimated for 2011	\$3.42
Home Value	\$150,000.00
Tax In Dollars	<b>\$512.43</b>

Example #2:

Tax Rate Estimated for 2011	\$3.42
Home Value	\$300,000.00
Tax In Dollars	<b>\$1,024.87</b>



2011 Estimated Town Tax Rate  
\$3.42



# Total Tax Rate Impact

2010

Example #1:

Tax Rate for 2010	\$19.20
Home Value	\$150,000.00
Tax In Dollars	<b>\$2,880.00</b>

Example #2:

Tax Rate for 2010	\$19.20
Home Value	\$300,000.00
Tax In Dollars	<b>\$5,760.00</b>

2011

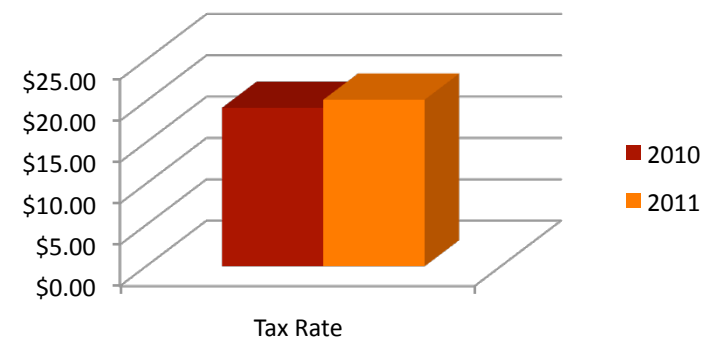
Example #1:

Tax Rate Estimated for 2011	\$20.18
Home Value	\$150,000.00
Tax In Dollars	<b>\$3,026.43</b>

Example #2:

Tax Rate Estimated for 2011	\$20.18
Home Value	\$300,000.00
Tax In Dollars	<b>\$6,052.87</b>

<u>2010</u>	
Town	\$3.18
School	\$12.62
State	\$2.35
County	\$1.05
	<u>\$19.20</u>
<u>2011</u>	
Town	\$3.42
School	\$13.43
State	\$2.28
County	\$1.05
	<u>\$20.18</u>



+ 5.08% Tax Rate Impact